

# The Lancaster News.

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## BALKAN CRISIS REGARDED WITH MUCH PESSIMISM

Serbia Seems Unwilling to Yield Anything at All to the Other Balkan States.

### MAY SEEK COMPROMISE.

Greece is Showing an Unusual Amount of Opposition to the Wishes of the Allies.

London, Aug. 16.—Military operations in the eastern field are developing slowly. Both sides show the effects of the intensity of the Warsaw struggle.

The German advance centers on the efforts of Field Marshal von Hindenburg to force troops across the Dvina and eastward in the central direction of Petrograd and the near approach of the army of Prince Leopold of Bavaria to the new Brest-Litovsk defense. Notwithstanding the steady pressure of the Germans, the Russians have held them west of the Dvina.

The Balkan crisis is drawing near a climax. The national assemblies of Serbia and Greece meet today with the probability of a definite decision as regards Bulgaria's territorial demands, upon which hinge the question of united action of the Balkan states with the allies.

In the best posted quarters here the outlook is regarded with a degree of pessimism. It is expected Serbia will seek a compromise and Greece will reject the Bulgarian contentions.

Reports from Athens indicate that King Constantine is insisting the new cabinet must maintain strict neutrality, the effect of which would be to withhold Greece from participating in a plan of united Balkan co-operation with the allies.

In the meantime there are many evidences of Austro-German preparations to deal with the Balkan situation. According to information from Bucharest, German army corps have been concentrated near the junction of Hungary, Roumania and Serbia. This, with the bombardment of Belgrade and the activity of Austrian artillery at many points along the Danube, lends support to reports of a great Austro-German offensive in the Balkans.

The outcome of the crisis is awaited most anxiously, as determining whether the allies will receive new support from the Balkans and whether Germany's supplies of ammunition for Turkey will continue to be shut off by the Balkan barrier.

Bulgarian officials do not expect an agreement will be reached, but the Serbian minister at London, M. Boshkovitch, told the Associated Press he believed a middle ground would be found on which it will be possible to unite the Balkan states.

## VILLA HAD PLAN IN HIS MADNESS

Levied Upon a Soap Company Which He Alleged Was a Grafting and a Trust.

El Paso, Tex., Aug. 16.—A forced loan of \$100,000, levied by General Villa against the James Brittingham Soap Factory, a Mexican corporation, at Gomez Palacio, has been lifted. It became known here today. This action followed conferences between Villa and Major General Hugh L. Scott, chief of staff, of the United States army.

The Gomez Palacio factory enjoyed a practical monopoly in the purchase of the cotton seed at a fixed price and the sale of it production under the Diaz regime. Formerly much of the stock of the company is said to have been held by members of the so-called "Centifico" party in the form of "bearers" stock certificates.

Suspecting that the certification in this firm served to conceal the identity of members of the "Centifico" who were deriving revenue from property in his territory, Villa is said to have exacted loans amounting to over a quarter of a million dollars.

When his last demand was refused the plant was confiscated. At a conference General Scott is said to have convinced Villa that the stock is now held exclusively by American and British investors.

## LEO M. FRANK TAKEN FROM PRISON BY MOB

Twenty-Five Armed Men Take Noted Prisoner Off in Automobile.

### GUARDS OVERPOWERED.

Party Leaves in Direction of Eaton, But No Report of Arrival There Has Come.

Milledgeville, Ga., Aug. 16.—A mob variously estimated at between 25 and 75 in number overpowered Warden Smith and guards at the state prison farm near here at 11 o'clock tonight and quickly got Leo M. Frank and rushed him away in an automobile.

First reports that it might be friends of Frank were dispelled when a prisoner said he had heard a member of the mob say that Frank's body would be placed tomorrow on the grave of Mary Phagan at Marietta. Frank was serving a life term for the murder of the girl.

The mob was orderly but worked with quick precision. Eight automobiles took the men to within a short distance of the prison. They first cut all wires from Milledgeville.

Five men went to the house of J. T. Smith, warden, covered him with pistols and stood guard over him. Other men went to the house of J. M. Burke, superintendent of the prison, and held him under cover of their guns.

Practically every other member of the mob then rushed to the stockade gate nearest the dormitory where Frank was being housed. Only yesterday did the physicians discharge him from the hospital where he had been since being murderously assaulted in the dormitory.

As on the night Frank was attacked only two guards were on duty. The mob quickly overpowered Chief Night Guard Hester and the other man on duty, proceeded to the dormitory and within a few minutes seized Frank and rushed him back to the automobiles.

Those who had been holding Smith and Burke left as soon as Frank was brought out and joined their fellows. The automobiles, reported to number eight, then were started in the direction of Eaton. Nothing more had been heard of them hours after they left.

Only one member of that party of the mob that went to the dormitory talked. He gave the commands to the guards which were backed up by the arms of the other members of the mob.

A prisoner who was sleeping in the dormitory is responsible for the statement that the spokesman said the mob intended to take Frank to Marietta and that tomorrow morning his body would be found on the grave of Mary Phagan, for whose murder the prisoner was serving a life sentence.

## DAVID B. JOHNSON IS A CANDIDATE

National Educational Association Meeting in Oakland, California.

Oakland, Cal., Aug. 16.—Every incoming train and steamer continued today to increase the hosts of delegates that have gathered here for the fifty-third annual convention of the National Education Association. It was estimated that 10,000 were here.

Representatives from 27 foreign countries are expected. The national council of education, the International Kindergarten Union, the American School Peace League and numerous other allied organizations will meet during the 13-day session.

The leading candidates for the presidency of the association are Miss Grace C. Strachan, district superintendent of schools, of Brooklyn, N. Y., and David B. Johnson, president of the Winthrop Industrial and Agricultural College of South Carolina. A nominating committee was to be appointed today. The election will be held Thursday.

Governor Hiram W. Johnson was to welcome the association today. Responses were to be made by Dr. David Starr Jordan, the president, and Vice President Joseph Swain, president of Swarthmore College.

## AMERICAN DOLLAR RULES SUPREME

English Sterling Topples From Throne of the Financial World.

### WAR BILLS POURING IN.

Anxiety Buyers of War Order Stocks Relieved by Changing of Monetary Standard.

New York, Aug. 16.—The American dollar rules the financial world today with an iron grip. Pounds sterling, francs, liras, virtually all foreign exchange, went down to new depths in a torrent of bills that poured into the exchange markets from American manufacturers seeking pay for the big war contracts of munitions and other supplies purchased here by the warring nations of Europe.

Coincident with the startling decline in exchange rates, came the assertion from an unimpeachable source that every contract made by the American manufacturers for the supplies sent abroad called for payment in American dollars and not English pounds sterling, which heretofore had been the standard of finance the world over. The immense losses, therefore, due to the decline in foreign exchange rates, will be borne, to the last penny, by the foreign buyers, and will not be sustained by the American manufacturers.

The maximum depreciation today in pounds sterling was 4 1/2 per cent below normal; in francs 19 per cent below normal; in Italian liras 25 per cent. The pound sold at one time today for only \$4.64. 6.2 francs equalled a dollar and a dollar purchased 6.48 liras. In the last hour of the business day, however, the appearance in Wall street of J. P. Morgan for the first time since the attack on his life six weeks ago and an informal conference of bankers to consider the exchange situation, sent rates upward.

Sterling closed at 4.67 1/2, one-half point higher than it opened and a point and a half under Saturday's close which established a new low record at the time. Francs gained 3 points over the low record, selling at 5.99 at the close and liras rebounded a point closing at 6.47.

What to do to remedy the situation engaged the attention of bankers with international connections at their conference late today. It was decided to do nothing, chiefly because the remedy lay with the foreign buyers who will be the sufferers.

### MAY SELL SECURITIES.

One remedy suggested was to sell American securities held abroad, but when this contingency was studied the situation seemed to be pregnant with unique poise. Millions of American securities, payable in dollars, are held abroad, chiefly high-class railroad bonds and preferred stock of a selected list of American industries. Should these be sold at present they would bring far more than the purchasers paid for them, due entirely to the depression of exchange. With the prospective profits as an inducement, it was believed that holders abroad would be willing to sell, and that foreign buyers of American goods would have little difficulty in procuring a large amount of American securities abroad as collateral for a temporary loan in this country, which would tend to correct exchange rates. The establishment here of a big foreign credit, estimated conservatively at \$500,000,000, is thought to be absolutely necessary if exchange rates were to be restored to anything like normal.

The assertion that dollars and not pounds sterling had been the financial standard on which contracts for war supplies had been accepted came as a distinct surprise. Aside from marking the temporary passing of London's control of the world's treasury chests, it relieved the anxiety of investors in war specialties in the stock market, who were confronted with the prospect of a large shrinkage in prospective profits due prevailing exchange rates.

It was learned that the amount of

## WEST INDIAN HURRICANE ALARMS COAST OF TEXAS

Terrific Windstorm Reaches Velocity of Seventy Miles an Hour.

### GALVESTON IS FLOODED.

Sea Wall Holding, However, and No Loss of Life or Serious Damage is Reported.

Brownsville, Texas, Aug. 16.—The army wireless station here received a report from the transport Buford at Galveston tonight that the water there had risen 10 feet and that several vessels had been overturned.

Failure of wire communication to Galveston tonight increased anxiety, but the fact that the wind was blowing from the north and water which had been backed in the streets was from the bay side of the island, reassured those familiar with the history of the city's storms.

The sea wall on the south side of the city faces the open gulf. The waters of the bay, directly opposite across the mile wide island are mere shallows except for the narrow ship channel.

The storm which devastated Galveston and drowned 8,000 persons on September 8, 1900, tore at the city for 12 hours from a southeasterly direction. Tonight's storm, according to bulletins, had none of those dangerous elements because the wind was blowing from the north.

Dallas, Texas, Aug. 16.—A West Indian hurricane lashed the Texas Gulf coast tonight, the wind reaching a velocity of 70 miles an hour, but up to a late hour no loss of life or serious property damage had been reported ashore or afloat. Galveston's sea wall had withstood the force of the waters and except for minor damages as a result of the flooding of the streets on the bay side of the city, the property loss had been negligible.

Sabine, Texas, reported a wind of 65 miles, and at Port Arthur the gale reached a velocity of 45 miles at 10 o'clock.

The majority of the residents at Sabine and Sabine Pass as well as the numerous summer camps and resorts along the coast moved to places of safety last night and early today. At Galveston residents along the beach abandoned their homes and spent the night in the more secure buildings in the business district.

Rollover, Caplen, Patton and Bolivar were reported under water. All these towns were deserted last night.

Late tonight a newspaper correspondent attempted to go from Port Arthur to Sabine in an automobile but was forced to abandon the trip.

"The wind would have blown our machine away if we had continued the trip," he declared.

Efforts to charter a boat to reach Sabine were futile, sailors refusing to make the trip.

### French Not Using Gas.

Paris, Aug. 16.—The ministry of war today issued a note denying published statements that the French troops are using poisonous gas.

war contracts on which full or nearly full payments will be due October 1 approximates \$400,000,000 to \$500,000,000. This is in addition to the huge total of more than \$1,000,000,000 owed by Europe to the United States at the close of the fiscal year June 30. It was also learned that the prospective profits on some of these contracts had been greatly exaggerated and that only normal profits would accrue.

This, it was said, was due to the rigid surveillance of British inspectors over all deliveries. Goods contracted for, it was said, that did not come up to a rigid standard were rejected, entailing loss.

Another optimistic influence was the general belief that a second large gold shipment was on its way to New York. Approximately \$20,000,000 in gold coin reached here last week from London. Wall street heard today that the second shipment was coming from South Africa or Australia.

## MEXICANS FIRE ON AMERICAN TROOPS

One of Uncle Sam's Cavalry Officers Killed and Another Wounded.

### BANDITS CROSS BORDER.

Force of 270 Mexicans Attack Outpost of Half Dozen Soldiers at Saenz.

Brownsville, Texas, Aug. 16.—Armed Mexicans in force crossed the Rio Grande at a ford near Mercedes tonight, attacking an outpost of half a dozen cavalymen at Saenz. Ranger Lieut. Reynau, at Mercedes, telephoned State Adjutant General Hutchings here that Corporal Wilman of Troop C, 12th cavalry, was killed and Lieut. Roy O. Henry and two privates of the same troop were wounded. Reynau reported that the Mexicans had crossed the border in three bands and were advancing toward Mercedes.

A clash between Mexicans and United States troops occurred last night. The troops were fired upon from across the Rio Grande, but the Mexicans withdrew when the fire was returned. None of the Americans were wounded.

Americans who arrived here today reported that they had been threatened by a party of Carranza soldiers aboard a train en route from Monterey. The soldiers apparently had been drinking and were incensed by exaggerated reports of the raids on the American side of the boundary and treatment accorded Mexicans. Officers quieted the troops.

The Americans said that a statement signed by General Nafarrate, Carranza commander at Matamoros, had been published in a Monterey newspaper, declaring that Carranza troops had no connection with the Texas raids. They reported that the majority of the American residents of Monterey had left that city.

The 26th infantry arrived today from Texas City to reinforce the United States border patrol.

It has been learned that Clyde Robinson, an American, was detained in the Matamoros jail five days pending an investigation of his presence near the Matamoros military trenches. He was released at the request of United States Consul Johnson at Matamoros.

## BOYS PUNISHED BY NAVAL COURT

Two Midshipmen Are Dismissed From Academy and Twelve Others to be Disciplined.

Washington, Aug. 15.—Findings of the court of inquiry which investigated irregularities in examinations and recitations at the Naval Academy, with disciplinary action approved by Secretary Daniels were announced tonight at the navy department. Two midshipmen, Ralph M. Nelson, Jr., of New York, and Charles M. Reagle of Ohio, are dismissed from the Academy. Twelve others are ordered disciplined in varying degrees.

The court, appointed by Secretary Daniels last June submitted a unanimous report after a long inquiry. The dismissals were submitted to and approved by President Wilson.

Sweeping changes in the method of conducting examinations were suggested by the court, and are under consideration by Secretary Daniels. Among its recommendations were:

"That the practice of giving out 'dope' or advanced information should be abolished unless heads of departments issue it by memoranda, thus insuring that all receive it in equal amounts and in the same form.

"That examinations should not be made so long or so difficult as to make 'dope' systems necessary for a great proportion of a class to pass examinations satisfactorily."

In his report before the inquiry the Academy superintendent recommended seven midshipmen for dismissal, and 16 others were brought into the proceedings after the court began hearings.

## ITALIANS STONE GERMAN VESSELS

United States Custom Station Also Attacked by the Reservists.

### SEVERAL OFFICERS HURT.

Several Policemen Injured by Angry Italians Who Had Formed Parade Before Sailing.

Boston, Aug. 15.—The assembling today of 1,300 Italian reservists who were to sail on the steamer Canopie tonight was marked by demonstrations against the German steamships Amerika and Cincinnati, laid up here as a result of which several policemen were severely injured. Sailors on the German vessels were struck by stones and sticks. Revolver shots were exchanged between the crowd and the police, but it could not be learned that any took effect.

In another disturbance which developed about the formation of a parade of the reservists in North Square, three police officers were injured, one being stabbed. Ten arrests were made.

The reservists paraded the Commonwealth pier in the South Boston district. The crowd became angered at the appearance of the police and began throwing stones at two vessels anchored to the pier, smashing windows and doing other damage. Two stewards were severely beaten.

The mob then rushed to the main pier building. The United States customs station was stoned, but eight officers forced the crowd back at the point of revolvers. Shots were fired in the air and were answered from the crowd but later no bullet wounds could be found. Several policemen, however, required hospital attention, one with a broken leg and others with broken arms and other injuries.

Although the officers used their clubs, few of the disturbers bore marks of the fray.

At North Square an officer was stabbed in the cheek and cut severely on the arm.

The Canopie sailed just before midnight. According to officers in charge there were 1,430 reservists in her steerage and a few in the cabins and they claimed all were aboard ship when the trouble occurred.

## FRENCH TROOPS TAKE EXCAVATION

Big Guns Continue to Thunder Challenge in Three Districts. Aeroplanes Drop Bombs.

Paris, Aug. 15.—After violent hand-to-hand fighting near Puisseulles between the Oise and Aisne rivers, French troops yesterday occupied an excavation made by the explosion of a mine under a German trench, according to today's French war department statement. Exceptionally violent artillery duels are reported in the Artois, the Champagne and the Lorraine districts. Nineteen French aeroplanes dropped 108 bombs on German depots near St. Mihiel.

The statement reads: "In the course of the night artillery duels were particularly violent in Artois, in the region of Souchez, at Roulecourt, in the Champagne at Beausejour fort and in Lorraine, in the region of Leintrey and Reillon.

"Between the Oise and the Aisne we exploded a mine north of Puisseulles and we occupied the excavation after violent hand-to-hand fighting. "In the Argonne, at the Courles Chaussees and at La Fontaine there were engagements with bombs and petards.

"In the Vosges, in the region of the Fave river, a German mine was exploded on hill 607, south of Louz, without causing any loss or damage.

"A squadron of 19 aeroplanes bombarded German parks and depots in the valley of Spada. The aviators dropped 108 shells on their objectives. All our aeroplanes returned without incident."

### Greek Ministry Resigns.

Paris, Aug. 16.—A Reuter's dispatch from Athens says that after the election of M. Zavitanos as president of the Greek chamber of deputies today the Gounaris government resigned.